

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2014 – ____

INTRODUCED BY:

Councilor Peter Ives

A RESOLUTION

**RELATING TO THE CITY OF SANTA FE FISCAL YEAR 2014/2015 BUDGET;
AMENDING RESOLUTION NO. 2014-35 TO INCLUDE THE ENACTMENT OF A
PROPERTY TAX RATE INCREASE OF 2 MILL PER \$1000 OF NET TAXABLE VALUE
TO BE USED FOR ITT INFRASTRUCTURE, INFRASTRUCTURE AND PUBLIC SAFETY
SERVICES RELATED TO PHASE 2 ANNEXATION AND OPERATION AND
MAINTENANCE COSTS FOR INFRASTRUCTURE OF PARKS AND RECREATION
FACILITIES AND LIBRARIES.**

WHEREAS, the Governing Body of the Municipality of Santa Fe, State of New Mexico has developed a budget for fiscal year 2014/2015; and

WHEREAS, the budget was developed on the basis of need and through cooperation with all user departments, elected officials and other department supervisors; and

WHEREAS, the official meetings for the review of the budget documents were duly advertised in compliance with the New Mexico Open Meetings Act; and

WHEREAS, on May 14, 2014, the Governing Body adopted Resolution No. 2014-35 to

1 adopt the 2014/2015 budget for submittal and approval from the Local Government Division of the
2 Department of Finance and Administration; and

3 **WHEREAS**, the Governing Body desires to amend the 2014/2015 budget resolution to
4 include the enactment of a municipal property tax increase; and

5 **WHEREAS**, since FY 2008/2009, the city's gross receipts tax revenue has fallen from FY
6 2007/2008 level of \$88.5 million for general operations (excludes water related) to \$80 million in FY
7 2009/2010 to \$84.2 million in FY 2012/2013; and

8 **WHEREAS**, the city relies heavily on gross receipts tax to pay for essential city services;
9 and

10 **WHEREAS**, since FY 2008/2009, the city has not cut services but rather the city has cut
11 spending by \$6.3 million which includes eliminating management positions; reducing overall
12 employees from 1860 authorized, budgeted positions to 1524 filled positions through attrition,
13 doubling duties, and making efficiencies: reducing overtime costs through more efficient staffing and
14 making other budget reductions: and

15 **WHEREAS**, the City is in need of a stable and adequate budget in order to ensure essential
16 city services for the residents of Santa Fe; and

17 **WHEREAS**, there is a need to identify funding sources for ITT infrastructure; increased
18 infrastructure and public safety services for Phase 2 Annexation costs; and operation and maintenance
19 costs for infrastructure of parks and recreation facilities and library services; and

20 **WHEREAS**, during these tough economic times, the city with its employees and the public
21 must come together and all commit to doing their part to ensure essential city services and invest in a
22 strong city; and

23 **WHEREAS**, Section 7-37-7 NMSA 1978 authorizes municipalities to impose a property tax
24 rate for general purposes of up to \$7.65 per \$1000 of net taxable value; and

25 **WHEREAS**, the city currently imposes a property tax of \$2.87 per \$1000 of net taxable

1 value of both residential and nonresidential property allocated to the City which is much less than
2 other cities in New Mexico (Imposed rates for Albuquerque - \$6.54 per \$1,000; Las Cruces - \$5.12
3 per \$1000; and Rio Rancho – \$7.65 per \$1000); and

4 **WHEREAS**, according to Section 7-37-7 NMSA 1978 the actual rate of property tax to be
5 imposed is determined in the municipality's budget process; the municipality determines its
6 expenditures and how much of those expenditures is to be covered by property tax revenues; and the
7 municipality submits its budget to the New Mexico department of finance and administration who
8 approves the budget and confirms the municipality's mill rate by September; and

9 **WHEREAS**, the levy and collection of taxes by the City will benefit residents and taxpayers
10 by enabling the City to provide maintenance and operation of facilities and by providing for the
11 acquisition and financing of public improvements for ITT infrastructure; maintenance of
12 infrastructure of parks, recreation and libraries, and infrastructure and public safety services related to
13 Phase 2 annexation; and

14 **WHEREAS**, the Governing Body desires to increase the rate of property tax imposed by the
15 City of Santa Fe by 2 mill per \$1000 assessed value which would generate \$7 million per year; and

16 **WHEREAS**, it is the majority opinion of this Governing Body that the proposed budget
17 meets the requirements as currently determined for fiscal year 2014/2015 with the inclusion of a
18 property tax increase of 2 mill per \$1000 assessed value.

19 **NOW THEREFORE, BE IT HEREBY RESOLVED BY THE GOVERNING BODY OF**
20 **THE CITY OF SANTA FE, STATE OF NEW MEXICO** that:

- 21 1. The Governing Body hereby amends City of Santa Fe Resolution No. 2014-35, the
22 2014/2015 annual budget resolution, to include the enactment of a property tax rate
23 increase of 2 mill per \$1000 of net taxable value.
- 24 2. For purposes of meeting the operating expense of the budget for fiscal year
25 2014/2015 of the City, there is hereby levied a property tax of 4.87 per \$1000 net

1 taxable value of property in the City.

2 3. The proceeds from the increased property tax shall be used to meet the expenses of
3 the City to provide ITT infrastructure; infrastructure and public safety services
4 related to Phase 2 Annexation; operation and maintenance costs for infrastructure of
5 parks and recreation facilities and libraries.

6 4. The City Clerk is hereby authorized and directed to immediately certify to the Board
7 of the County Commissioners of Santa Fe County and the New Mexico Department
8 of Finance, the levies for the City hereinabove determined and set. That said
9 certification shall be substantially following the form as is requested or required by
10 Santa Fe County and the New Mexico Department of Finance.

11 **BE IT FURTHER RESOLVED** that the Governing Body adopts the budget hereinabove
12 described, as to funds, categories and departments, and respectfully requests approval from the Local
13 Government Division of the Department of Finance and Administration.

14 PASSED, APPROVED and ADOPTED this _____ day of June, 2014.

15 MUNICIPAL GOVERNING BODY OF THE CITY OF SANTA FE, NEW MEXICO:

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17 _____
18 MAYOR JAVIER M. GONZALES

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21 COUNCILOR PATTI BUSHEE

COUNCILOR BILL DIMAS

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23 _____
24 COUNCILOR CARMICHAEL DOMINGUEZ

COUNCILOR PETER IVES

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COUNCILOR SIGNE LINDELL

COUNCILOR JOSEPH MAESTAS

COUNCILOR CHRISTOPHER RIVERA

COUNCILOR RONALD TRUJILLO

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

KELLEY BRENNAN, INTERIM CITY ATTORNEY